Congress of the United States Washington, DC 20515

July 16, 2019

Benjamin S. Carson Sr., M.D. Secretary United States Department of Housing and Urban Development 451 7th Street S.W. Washington D.C. 20410

Dear Secretary Carson:

The Congressional Hispanic Caucus (CHC) respectfully requests a meeting with you to discuss several policies currently under consideration by the U.S. Department of Housing and Urban Development (HUD) which advance the Trump administration's agenda to threaten immigrant communities, and undermine America's core values. Specifically, we are concerned about a proposal that targets households of mixed-immigrant status families who receive federal housing subsidies, placing them at risk of being separated, evicted, and left homeless;^[1] and another policy denying access to Federal Housing Administration (FHA) backed financing for housing to Deferred Action for Childhood Arrival (DACA) recipients.^[2]

As you may know, Section 214 of the Housing and Community Development Act of 1980 prohibits the provision of housing assistance benefits to ineligible noncitizens. HUD's current implementation requires a proportional reduction of assistance provided to mixed status families to ensure compliance with the law, while allowing these families to stay together. If applied, we believe HUD's rule change would force families to choose between separating to receive housing assistance, or doing without the needed assistance altogether. Contrary to the administration's claims, the rule change would do little to reduce the long wait lists for federal housing subsidies or adequately address our nation's affordable housing needs. This policy change is more likely to exacerbate homelessness. In fact, HUD's own analysis shows that over 55,000 children who are U.S. citizens or have eligible immigration statues would be unnecessarily placed at risk of becoming homeless. Furthermore, your agency's analysis found that the rule change would increase subsidy costs, forcing HUD to attempt to serve a costlier household without additional funding. We find the proposed rule change and the impact it will have on families and our communities troubling.

In addition to putting families at risk of becoming homeless, under your leadership, HUD is extinguishing the dream of owning a home by denying fair treatment of DACA recipients in the financial sector. You previously testified before Congress this past April that DACA recipients were not being barred from obtaining FHA loans after it had been reported that your agency was quietly instructing lenders to turn down DACA recipients for the loans. Two months after your

^[1] Department of Housing and Urban Development. 24 CFR 5. Docket No. FR-6124-P-01.

^[2] https://www.housingwire.com/articles/48492-dreamers-denied-evidence-mounts-fha-is-not-backing-daca-mortgages

hearing before Congress, you appear to have a new interpretation of existing guidelines which unfairly targets otherwise eligible applicants.

Homeownership is one of the most important ways for families to build wealth. The FHA is a critical part of our housing finance system that is helping to ensure that access to homeownership is broadly available to all. Immigrants who are not U.S. citizens hold a homeownership rate of 39.3 percent. [3] Their contribution to our economy is substantial, and HUD should not stand in the way of over 800,000 DACA recipients securing FHA loans in order to achieve their American dream of owning a home.

It is imperative that we meet with you this month to discuss these alarming policies and how we can best work with HUD to ensure the American Dream is achievable for all and that families are kept together, regardless of immigration status.

Sincerely,

Joaquin Castro CHC Chairman

Nanette Diaz Barragán
CHC Second Vice-Chair

Veronica Escobar Freshman Representative Ruben Gallego

CHC First Vice-Chair

Adriano Espaillat CHC Whip

Pete Aguilar

Member of Congress

^[3] https://nahrep.org/downloads/2017-state-of-hispanic-homeownership-report.pdf